USAID's Nepal Social Marketing and Franchising Project (N-MARC) is blazing new trails in family planning through a partnership with a Nepali pharmaceutical company.

For 30 years, USAID has subsidized the sale of oral contraceptives in Nepal. Now, as part of a broad effort to reduce national dependency on subsidized products, USAID's project introduced an innovative co-investment strategy to stimulate active involvement from private pharmaceutical manufacturers. In 2008 the project selected Lomus Pharmaceuticals to develop and introduce the first-ever oral contraceptives manufactured in Nepal. Lomus officially launched three brands in April 2009: Femicon, Feminor, and Femitrone.

The Nepali manufacturing company provided the funds for product development and manufacturing, and received co-investment from USAID for marketing and distribution. These products represent a new era of family planning in Nepal, as Nepali companies take up leadership roles to address the country's family planning needs.

Although Nepal has made great strides in key maternal and child health areas, women's health status and maternal mortality rates are alarming. Discrepancy in access to health care between urban and rural populations is evidenced by the fact that rural women, on average, give birth to four children while urban women now aver-age only two children. Unmet need for family planning among ru-ral women is almost a third greater than among urban women.

By stimulating domestic production of oral contraceptives, USAID ensures consistent supply and improved access to quality family planning services. The three contraceptive brands have been positioned to bridge the wide gap between USAID-subsized brands and imported brands. They offer a mid-priced alternative for Nepali women. To date, sales have been strong for all three products, boosted by a recently launched radio, print, and retail-based marketing campaign.